

Record Request DTE 1

Request:

Please describe the Competitive Supply-Related Charge of 0.150¢ per kWh and the Competitive Supply Collections-Related Surcharge of 0.220¢ per kWh appearing in Consolidated Edison Company's residential tariff.

Response:

In New York, the Commission has encouraged retail competition by implementing backout credits associated with distribution costs that are avoided when the customer takes service from a alternative supplier. Thus, the Competitive Supply-Related Charge of 0.150¢ per kWh and the Competitive Supply Collections-Related Surcharge of 0.220¢ per kWh are charges that a residential customer may avoid by electing to receive electric commodity service from an Energy Service Company ("ESCO"), which are approved alternative energy suppliers in New York. The Competitive Supply-Related Charge of 0.150¢ per kWh is avoided by a customer receiving commodity service from an ESCo, where the utility continues to provide the billing for both delivery and commodity service on the utility's bill. The Competitive Supply-Related Charge of 0.150¢ per kWh and the Competitive Supply Collections-Related Surcharge of 0.220¢ per kWh (a total of 0.370¢ per kWh) are avoided by a customer receiving commodity service from an ESCo, where the utility provides the billing for the delivery service and the ESCo provides the billing for commodity service. The charges are based on costs deemed to be avoided by the utility when an ESCo provides commodity and billing services. These costs are principally supply procurement costs, collections processing costs, bad debt expense, and a portion of other customer care costs.

These costs are included in the rates when the customer purchases supplies from Consolidated Edison. As noted on page 19 of Exhibit SMM-3, the Company chose the rates for customers taking bundled service as these rates are most comparable to the rates of the other utilities in the Regional Index. In other words, the other utilities in the Regional Index also include the costs for providing these services in their distribution rates. In addition, these delivery rates are most comparable to the Consolidated Edison rates used in the initial calibration of distribution rates to the Regional Index as of July 1, 2004. Finally, only a small portion of Consolidated Edison customers receive commodity service from an ESCo.

Prepared by or under the supervision of: Scott M. McCabe

Record Request DTE 2

Request:

Please provide the link to the New York Public Service Commission's order in the Consolidated Edison Company's rebundling case.

Response:

Please find the link to the order dated March 24, 2005 in the New York Public Service Commission Case 04-E-0572.

[http://www3.dps.state.ny.us/pscweb/WebFileRoom.nsf/Web/BFCF5488B5C3620A85256FCD005A5F0F/\\$File/04e0572.ord.03.24.05.pdf?OpenElement](http://www3.dps.state.ny.us/pscweb/WebFileRoom.nsf/Web/BFCF5488B5C3620A85256FCD005A5F0F/$File/04e0572.ord.03.24.05.pdf?OpenElement)

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